

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
October 23, 2006
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: Leonard W. Jones, CPA, President; Arthur M. Winstead, Jr., CPA, Vice President; Jordan C. Harris, Jr., Secretary-Treasurer; Norwood G. Clark, Jr., CPA; Tyrone Y. Cox, CPA; Thurman L. Gause; and Michael C. Jordan, CPA.

STAFF ATTENDING: Robert N. Brooks, Executive Director; J. Michael Barham, CPA, Deputy Director; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; Buck Winslow, Manager-Licensing; and Noel L. Allen, Legal Counsel.

GUESTS: Stephon Newkirk, CPA; Denise Hammond, NCSA; and Steve Pace, NCSA.

CALL TO ORDER: President Jones called the meeting to order at 10:05 a.m.

MINUTES: The minutes of the September 18, 2006, meeting were approved as corrected.

FINANCIAL AND BUDGETARY ITEMS: The financial statements for September 2006 were accepted as submitted.

LEGISLATIVE AND RULE-MAKING ITEMS: Messrs. Jordan and Harris moved to approve the following rules as published for the September 18, 2006, public rule-making hearing:

21 NCAC 08G .0401
21 NCAC 08G .0404
21 NCAC 08G .0406

21 NCAC 08G .0409
21 NCAC 08G .0410

Motion passed (Appendix I).

Messrs. Clark and Winstead moved to approve the following rule as amended:

21 NCAC 08G .0403

Motion passed (Appendix II).

NATIONAL ORGANIZATION ITEMS: Messrs. Winstead and Clark moved to approve the response to the AICPA Exposure Draft Omnibus Proposal of Professional Ethics Division Interpretations and Rules. Motion passed.

Messrs. Winstead and Clark moved to approve the response to the GASB Exposure Draft on Elements of Financial Statements. Motion passed.

Messrs. Winstead and Clark moved to approve the response to the FASB Preliminary Views on Conceptual Framework for Financial Reporting. Motion passed.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. Winstead moved and the Board approved the following recommendations of the Committee:

200604-037 - Approve a Notice of Hearing for December 18, 2006, at 10:00 a.m.

200410-039 - Approve a Notice of Hearing for January 22, 2007, at 10:00 a.m.

200508-046 - Approve a Notice of Hearing for January 22, 2007, at 10:00 a.m.

200606-045, 200607-057, 200609-068 - Approve a Notice of Hearing for January 22, 2007, at 10:00 a.m.

200507-042 - Vincent T. Harris and Vincent T. Harris, CPA & Associates, PA - Approve a signed Consent Order (Appendix III).

200512-068 - Jacob O. Balogun - Approve a signed Consent Order (Appendix IV).

200606-046 - Debora B. Wentz - Approve a signed Consent Order (Appendix V).

2006319UT - Robert A. DiNubila - Accept the signed Notice of Apparent Violation and Demand to Cease and Desist (Appendix VI).

200601-002 - Mack William Phipps - Approve a signed Consent Order (Appendix VII).

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE: Mr. Cox moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The following were approved:

Ann B. Calvert
Yuang-Sung Chen
Gilbert Lovinsky
Carl T. Schultz IV

Original Certificate Applications - The following were approved:

Bobbi Jo Adams
Brent Matthew Allen
Scott Lawrence Anderson
Stephanie Hales Baumgartner
Michael William Bingham
Michelle Adams Blackwelder
Jessie Lynn Blalock
Eric Brockman Bland
William Brian Blanton

Robert E. Booth
Deborah M. Brown
Julia Katherine Brown
Trevor H. C. Bynoe
Ann B. Calvert
Robin Nixon Carver
Yuang-Sung Chen
Kathryn Edwards Clarke
Stephen Love Clarke

Alex Daniel Currin
Wesley Joe Davis
Jennifer M. DeLuca
Rajeev Devgon
Rebecca Ann Dobbs
Reese Dickson Dorrier
Bridgett Anne Earnhardt
Mark Alexander Gabriel
Jonathan Arthur Gierich
Derek Pierce Glunz
Stephanie Blair Grubb
Robert Andrew Hale Sr.
Jonathan Thomas Hansen
Molly Beth Hansen
Meredith Anne Hardison
Peter Andrew Hathaway
Reneé Marie Houp
Elizabeth Harlan Hudgins
Christopher L. James
Amy Elizabeth Jobe
Natalie Louise Kalil
Gilbert Lovinsky
Jessica May Lucas
Tracie Ann McDonald
John Francis McKeever
William Cooper Oglesby III
Matthew Paul Parker
Anjali Vyas Patel

Renea Elizabeth Pawelec
Li Peng
Kelly Renee Roberts Pesanka
Steven Wayne Powers
Crystal W. Pruitt
Cristina Madrinan Rivera
Kathryn Elizabeth Scarborough
Carl T. Schultz IV
Troy Matson Shadoin
Gary Wade Shelnut
Jin Shi
Ricky Songchun Son
Susan Dunlap Stackhouse
Kimberly A. Stewart
Katherine Colleen Stille
Laura Graham Stone
Chad Thomas Storck
Kathleen Trueheart Storrs
Andrew M. Tew
Joshua Andrew Thomas
Adam Joseph Thompson
Gbolade O. Tubi
Brett Alan Warner
Christina Lee Wiggins
Angela Gayle Williams
Yenchun Wu
Caixuan Xu

Reciprocal Certificate Applications - The following were approved:

Clifford A. Aldrin
Robert Harald Arzonetti
Katherine Elizabeth Baron
John H. Black
Shawna Lynette Blomkvist
Mark David Breakfield
Bryan G. Bryant
Robert Mark Bullen
Thomas Dean Childers Jr.
Roger Robert Clermont
Susan Yurash Close
Ronald Miller Cofield

Jared Marshall Cost
Karissa Jo Cost
Abra S. Cullen
Craig Steven Thomas Eastwood
Kellie A. Elwell
Phillip Edward Evans
Kiala I. Felder
Joseph David Fleming
Michael Patrick Gerard
Peter Gimbal
Gerard James Gyles
Michelle L. Haines

Joseph Patrick Hanlon
Cheryl L. Hennen
Glen B. Hubbard
Kristen Carol Kalinowski
Edward Andrew Karpus
Elaine May Kontos
Nikki Elaine Larrowe
Edwin David Lawton
Jamie Lynn Lewis
Susan K. Lightweis
James S. Madson
Bill R. Morris
B. Bishop Norris
Lisanne Mariel Palacios
Robert Franklin Palmer III
Denise Elizabeth McKnight Patten
Kimberly Daren Penn

Michele Healy Reisch
Regina Hall Rudolph
Lisa P. Sawicki
Nicholas A. Sinigaglia
Elke Sperling
Mary M. Speth
Thomas Stran Summers III
Brian P. Tanzman
David Benjamin Therit
Mark A. Thomas
Paul Joseph Thomas
Jeffrey Louis Vanek
Prabhavathi Vijayaraghavan
Lauren D. Weekes
Charlene S. White
Carla Lash Woolbright
Bryan Douglas Yokley

Temporary Permits - The following temporary permits were approved by the Executive Director and ratified by the Board:

Edward Andrew Karpus T3785
Victoria P. Whetzel T3786
Thomas Stran Summers T3787
Susan Yurash Close T3788
Mark A. Thomas T3789
Phillip Edward Evans T3790
Abra S. Cullen T3791
Kimberly Daren Penn T3792
Ashley Justin John Dalnoot T3793
Clifford A. Aldrin T3794
Karen T. Horky T3795
Paul David Shilling T3796
Keri Ann Rutland T3797

Venus Ann Mitchell T3820
Michael Ray Oswalt T3821
Robert John Migliaccio T3823
Michele Yee-Yu Chao T3824
Jason Patrick Wells T3825
Synethia Denise Bromell T3826
Xiaohong Sun T3827
John F. Healy T3828
Ransford Ebo Banson T3829
Kerri Kolody Berryman T3834
Christopher Mark Cary T3836
Alec Fahey T3837
Todd S. Eldredge T3838

Reinstatements - The following were approved:

George Henry Bourgeois Jr. #26795
Gregory Lee Conner #19486
Jennifer LiVecchi Fabrizio #28575
Kenneth Scott Grassmyer #15946
Laura Marsh Hager #20829
Susanne Sellars Hicks #17331

Joe Alton Jackson #11274
Steven Eric Lochbaum #13441
Katherine Johnson Pond #20774
Gary Howard Smith #9913
Thomas Roy Styers III #4149
Chrissie Anthony Twisdale #23074

Firm Registrations - The following professional corporations, professional limited liability companies, and limited liability partnerships were approved by the Executive Director and ratified by the Board:

BARNES, SALY & COMPANY, LLP
BELFINT, LYONS & SHUMA, P.A.
Deborah L. Carano C.P.A., Inc.
CATANESE GROUP, A PROFESSIONAL
CORPORATION
James B. Corey, P.A.
DAWKINS CPA PA
Duckworth & Johnson, CPAs, P.A.

Jewell, deButts & Roberts, PLLC
BD Jones, PLLC
MADDOX & ASSOCIATES A
PROFESSIONAL CORPORATION
MATHIS & LEE, LLP
Michael R. O'Neal, CPA, P.C.
Robert Palmer, PLLC

CPE Matters - Staff approved THE MAROLD LAW FIRM, PLLC as a CPE Sponsor. The Committee ratified staff approval

Messrs. Cox and Clark moved to approve a new ethics CPE course, "Closing the Loop on Professional Ethics" (Haynes Strand and Company PLLC). Motion passed.

Messrs. Cox and Harris moved to approve a new ethics CPE course, "CPE Tax Ethics 2007" (Pittard Perry & Crone Inc.). Motion passed. Mr. Jordan did not participate in the discussion of, nor did he vote on, this matter.

The Committee approved the following updated ethics CPE courses:

"Tax Ethics" - Davenport Marvin Joyce & Co. LLP

"Professional Ethics and North Carolina CPA Laws and Rules" - Davenport Marvin Joyce & Co. LLP

"Professional Ethics and Conduct for North Carolina CPAs" - Leveraged Logic

"Ethics for North Carolina CPAs" - SmartPros Ltd.

Examinations - The Committee reviewed and approved the following staff approved applicants to sit for the Uniform CPA Examination:

Robert Acuff
Nathaniel Adams
Snjezana Adams
Suzanne Adams
Ryan Adkins
Fardus Ahmed
Shilpa Ahuja
Mark Ariail

James Askew
Carrie Avera
Christy Bagley
Douglas Baker
Michael Ballard
Candice Balloue
Eileen Barbara
Brandon Barkley

Jacqueline Basim
Anthony Belcastro
Alan Bennett
Laura Bennett
Jason Benoit
Alisha Blackmon
Caroline Bogen
Bonnie Bonjour
Keisha Booker
David Bridges
Colleen Brophy
Jaime Brown
Whitney Brown
Cynthia Burke
Amy Butler
Nina Butts
Karen Byrd
Kimberly Byrd
Andrew Callihan
Daniela Cammarota
Richard Carothers
Jackie Casey
Jill Casstevens
Sabrina Caudill
Joel Chambers
Lorraine Chapman
Lo Tsz Cheng
Galina Chichlova
Daniel Chun
Frank Ciszek
Eric Clements
Peter Close
Rachel Cone
Amy Cook
Taunya Craig
Susan Crawley
Elizabeth Creech
Ellen Daube
Ian Davies
Carolyn Davis
Alfred Dawson
Jagruti Desai
Alford Dew

Tejbir Dhillon
Sara Dildy
Daniel DiNicola
Anthony Dinola
Chalette Doctor
Megan Donohue
Tracy Downing
Adam Drake
Kathryn Duncan
Catherine Eastwood
Ashley Epps
Jennifer Fairweather
Michael Figuera
Matthew Fitzsimmons
Matthew Fort
John Gard
Parul Garg
Tieneke Geurts
Nancy Gibson
Keith Gindoff
Troy Glasgow
Lisa Goerke
Ana Gonzalez Garcia
Katherine Granger
Sarah Gravel
Avery Gray
Kameron Gress
Robert Griffin
Jennifer Hall
Jennifer Harold
Amanda Harrell
Lindsay Harrell
Melissa Hart
Carson Hayes
Debra Heard
David Heath
Patrick Hege
James Heyward
Olivia Hill
Leon Hobbs
Michelle Hodges
Christopher Holland
Rhea Hollars

Brandon Hollis
Brenna Holt
Sung Hong
Richard Hourigan
Kayce Hughes
Sally Hughes
Tawnya Hurtt
Anthony Infantino
Kathryn Jargowsky
Jennifer Johnson
Lori Johnson
Amanda Jones
Elizabeth Jourdan
Molly Kadyk
Anthony Keys
Stephen King
William Krogseng
Rahila Kuhn
Darren Labean
Julie Lackey
Crystal Lancaster
Meagan Langdon
Jane Lanier
Danna Layne
Dana Leung
Jennifer Leung
Shaomin Li
Bridgette Lin
Ryan Love
Howard Lucas
Vita MacIntyre
Lindsay Mank
James Markham
Shannon McCarthy
Christopher McCauley
Kelly McCoy
Misty McCoy
Apryl McCraw
Melissa McGehee
Christopher McLawhorn
Wesley McLeod
Chad McManus
Sarah McMillan

Cassie Melton
Melissa Mikita
Deidra Miller
Justin Miller
Kai Monahan
Danielle Moody
Ashley Moran
Emily Morton
Michael Murray
Kristen Nickle
Audrea Norris
Alexander Pappas
Jamie Parsons
Zachary Pearsall
Ryan Perry
Galina Petrova
Misti Phillips
Roy Piercy
Eric Plunkett
William Porter
Thomas Quillen
Dipthi Ramakrishnan
Rachel Richards
Heather Richardson
Donna Rinchisen
Jaime Roberts
Lois Rogers
Brian Rose
Samuel Sanders
Steven Saunders
Carolyn Schabinger
Robert Schneider
Erika Scholl
Diane Schwager
Jennifer Seekamp
Kimberly Shabosky
Kavita Shankar
Megan Shealy
Christopher Shrewsbury
Laura Sloop
Alison Smith
Shawn Smitley
Bryce Snyder

Claire Spruill
Amy Stafford
Gregory Stevenson
Anna Stocker
Charles Straman
Lindsay Strunk
Matthew Stuart
Sahar Sultan
Pieter Swanepoel
James Swindell
Emily Taylor
Kimberly Tenenholz
Candice Tew
Nataliya Tishchishyna
Michael Tolley
Michelle Toth
Andrew Twardzik
Rebecca Vandevander
Veronica Vaughan
Marvin Vick
Samay Vithlani
Elizabeth Wade
Justin Warguska

Kimberly Washington
Allison Watkins
Amber Watson
Krista Waugh
Christian Weber
Kristen Weichel
Joseph Wellborn
Mary Wetzel
Tanya Wheeler
Bradley Whitley
Shannon Willert
Candice Williams
Ja'Kim Williams
Pamela Williamson
Carole Wilson Pesta
Michelle Wyatt
Yanna Xu
Dana Yates
Thomas Yonchak
Michael Young
Tina Young
Qingying Zha
Lei Zhi

The Committee determined and accepted the grades received for the July - September 2006 exams.

Staff reviewed and recommended disapproval of a request submitted on behalf of re-exam candidate Brenna L. Holt. Ms. Holt is requesting an extension of conditional credit to complete the exam. The Committee deferred the request until staff receives medical information.

PUBLIC HEARING: President Jones moved to convene the Public Hearing scheduled to hear Case No. 200508-044, Stephon Newkirk. Mr. Newkirk was affirmed and Robert N. Brooks was sworn and presented testimony. Messrs. Jones and Winstead moved to enter Closed Session with Legal Counsel to consider the matter. The Board re-entered the hearing and Messrs. Jordan and Clark moved to approve a Board Order permanently revoking Mr. Newkirk's North Carolina CPA certificate. The motion passed with seven (7) affirmative and zero (0) negative votes. The entire Public Hearing is a matter of public record (Appendix VIII).

CLOSED SESSION: Messrs. Winstead and Jordan moved to enter Closed Session with Executive Staff and Legal Counsel to discuss legal matters. Motion passed.

PUBLIC SESSION: Messrs. Winstead and Harris moved to re-enter Public Session to continue with the agenda. Motion passed.

EXECUTIVE STAFF AND LEGAL COUNSEL REPORT: The Board approved the proposed 2007 Board meeting schedule.

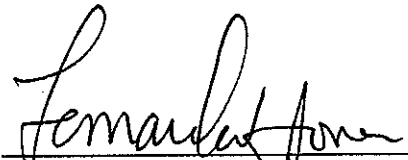
ADJOURNMENT: Messrs. Cox and Winstead moved to adjourn the meeting at 2:10 p.m. Motion passed.

Respectfully submitted:

Attested to by:



Robert N. Brooks
Executive Director



Leonard W. Jones, CPA
President

1 21 NCAC 08G .0401, is amended as published in 21:01, page 51, as follows:

2

3 **.0401 CPE REQUIREMENTS FOR CPAS**

4 (a) In order for a CPA to receive CPE credit for a course:

5 (1) the CPA must attend or complete the course;

6 (2) the course must meet the requirements set out in 21 NCAC 08G .0404(a) or (c);

7 and

8 (3) the course must increase the professional competency of the CPA.

9 (b) The Board registers sponsors of CPE courses. A CPE course provided by a registered
10 sponsor is presumed to meet the CPE requirements set forth in 21 NCAC 08G .0404(a) if the
11 sponsor has indicated that the course meets those requirements. However, it is up to the
12 individual CPAs attending the course and desiring to claim CPE credit for it to assess whether it
13 increases their professional competency.

14 (c) A course that increases the professional competency of a CPA is a course in an area of
15 accounting in which the CPA practices or is planning to practice in the near future, or in the area
16 of professional ethics or an area related to the profession.

17 (d) Because of differences in the education and experience of CPAs, a course may contribute to
18 the professional competence of one CPA but not another. Each CPA must therefore exercise
19 judgment in selecting courses for which CPE credit is claimed and choose only those that
20 contribute to that CPA's professional competence.

21 (e) Active CPAs must complete 40 CPE hours, computed in accordance with 21 NCAC 08G
22 .0409 by December 31 of each year, except as follows:

23 (1) CPAs having certificate applications approved by the Board in April-June must
24 complete 30 CPE hours during the same calendar year.

25 (2) CPAs having certificate applications approved by the Board in July-September must
26 complete 20 CPE hours during the same calendar year.

27 (3) CPAs having certificate applications approved by the Board in October-December
28 must complete 10 CPE hours during the same calendar year.

29 (f) There are no CPE requirements for retired or inactive CPAs.

30 (g) Any CPE hours completed during the calendar year in which the certificate is approved
31 may be used for that year's requirement even if the hours were completed before the certificate
32 was granted. When a CPA has completed more than the required number of hours of CPE in any
33 one calendar year, the extra hours, not in excess of 20 hours, may be carried forward and treated
34 as hours earned in the following year. A CPA may not claim CPE credit for courses taken in any
35 year prior to the year of certification.

1 (h) Any CPE hours used to satisfy the requirements for change of status as set forth in 21
2 NCAC 08J .0105, for reinstatement as set forth in 21 NCAC 08J .0106, or for application for a new
3 certificate as set forth in 21 NCAC 08I. 0104 may also be used to satisfy the annual CPE
4 requirement set forth in Paragraph (e) of this Rule.

5 (i) It is the CPA's responsibility to maintain records substantiating the CPE credits claimed for
6 the current year and for each of the four calendar years prior to the current year.

7 (j) A non-resident licensee may satisfy the annual CPE requirements including 21 NCAC 08 G
8 .0401 in the jurisdiction in which he or she is licensed and currently works or resides. If there is
9 no annual CPE requirement in the jurisdiction in which he or she is licensed and currently works
10 or resides, he or she must comply with (e) of this rule.

11
12 *History Note: Authority G.S. 93-12(8b);*

13 *Eff. May 1, 1981;*

14 *Amended Eff. January 1, 2007; January 1, 2004; August 1, 1995; April 1, 1994; May 1,*

15 *1989; September 1, 1988.*

21 NCAC 08G .0404, is amended as published in 21:01, pages 52-54, as follows:

.0404 REQUIREMENTS FOR CPE CREDIT

(a) A CPA shall not be granted CPE credit for a course unless the course:

- (1) is in one of the ~~six~~ seven fields of study recognized by the Board and set forth in Paragraph (b) of this Rule;
- (2) is developed by an individual who has education and work experience in the subject matter of the course; and
- (3) uses instructional techniques and materials that are current and accurate.

(b) The ~~six~~ seven fields of study recognized by the Board are accounting and auditing, consulting services, ethics, management, personal development, specialized knowledge and applications, and taxation.

- (1) ~~The accounting and auditing field of study includes accounting and financial reporting subjects, the body of knowledge dealing with recent pronouncements of authoritative accounting principles issued by the standard-setting bodies, and any other related subject generally classified within the accounting discipline. It also includes auditing subjects related to the examination of financial statements, operations systems, and programs; the review of internal and management controls; and the reporting on the results of audit findings, compilation, and review.~~

Accounting and Auditing

(A) Accountancy

(B) Accounting - Governmental

(C) Auditing

(D) Auditing - Governmental

- (2) ~~The consulting services field of study deals with all consulting services provided by professional accountants—management, business, personal, and other. It includes management consulting services and personal financial planning services. This field also covers an organization's various systems, the services provided by consultant practitioners, and the engagement management techniques that are typically used. An organization's systems include those dealing with planning, organizing, and controlling any phase of individual financial activity and business activity. Services provided encompass those for management, such as designing, implementing, and evaluating operating systems for organizations, as well as business consulting services and personal financial planning.~~

Consulting Services

(A) Administrative Practice

(B) Social Environment of Business

- (3) The management field of study considers the management needs of individuals primarily in public practice, industry, and government. Some subjects concentrate on the practice management area of the public practitioner, such as organizational structures, marketing services, human resource management, and administrative practices. For individuals in industry, there are subjects dealing with the financial management of the organization, including information systems, budgeting, and asset management, as well as items covering management planning, buying and selling businesses, contracting for goods and services, and foreign operations. For CPAs in government, this curriculum embraces budgeting, cost analysis, human resource management, and financial management in state and local governmental entities. In general, the emphasis in this field is on the specific management needs of CPAs and not on general management skills.

Ethics

(A) Behavioral Ethics

(B) Regulatory Ethics

- (4) The personal development field of study includes becoming a competent people manager, which covers such skills as communications, managing the group process, and dealing effectively with others in interviewing, counseling, and career planning. Public relations and professional ethics are also treated.

Management

(A) Business Law

(B) Business Management and Organization

(C) Finance

(D) Management Advisory Services

(E) Marketing

- (5) The specialized knowledge and applications field of study treats subjects related to specialized industries, such as not-for-profit organizations, health care, and oil and gas.

Personal Development

(A) Communications

(B) Personal Development

(C) Personnel/HR

- (6) ~~The taxation field of study includes subjects dealing with tax compliance and tax planning. Compliance covers tax return preparation and review and IRS examinations, ruling requests, and protests. Tax planning focuses on applying tax rules to prospective transactions and understanding the tax implications of unusual or complex transactions. Recognizing alternative tax treatments and advising the client on tax saving opportunities are also part of tax planning.~~

Special Knowledge and Applications

- (A) Computer Science
- (B) Economics
- (C) Mathematics
- (D) Production
- (E) Specialized Knowledge and Applications
- (F) Statistics
- (7) Tax
- (A) Tax

(c) The following may qualify as acceptable types of continuing education programs, provided the programs comply with the requirements set forth in Paragraph (a) of this Rule:

- (1) professional development programs of national and state accounting organizations;
- (2) technical sessions at meetings of national and state accounting organizations and their chapters;
- (3) courses taken at regionally accredited colleges and universities;
- (4) educational programs that are designed and intended for continuing professional education activity conducted within an association of accounting firms; and
- (5) correspondence courses that are designed and intended for continuing professional education activity. ~~A CPA may claim credit for a course offered by a non-registered sponsor provided that the course meets the requirements of 21 NCAC 08G .0403(e), 21 NCAC 08G .0404, and 21 NCAC 08G .0409. The CPA shall maintain documentation proving that the course met these standards.~~

(d) CPE credit may be granted for teaching a CPE course or authoring a publication as long as the preparation to teach or write increased the CPA's professional competency and was in one of the six seven fields of study recognized by the Board and set forth in Paragraph (b) of this Rule.

(e) CPE credit shall not be granted for a self-study course if the material that the CPA must study to take the examination is not designed for CPE purposes. This includes periodicals, guides, magazines, subscription services, books, reference manuals and supplements which contain an examination to test the comprehension of the material read.

1 (f) A CPA may claim credit for a course offered by a non-registered sponsor provided that the
2 course meets the requirements of 21 NCAC 08G .0403(c), 21 NCAC 08G .0404, and 21 NCAC 08G
3 .0409. The CPA shall maintain documentation proving that the course met these standards.

4
5 *History Note: Authority G.S. 93-12(8b);*

6 *Eff. May 1, 1981;*

7 *Amended Eff. January 1, 2007; January 1, 2004; March 1, 1990; May 1, 1989; August 1,*
8 *1988; February 1, 1983.*

1 21 NCAC 08G .0406, is amended as published in 21:01, page 54, as follows:

2
3 **.0406 COMPLIANCE WITH CPE REQUIREMENTS**

4 (a) All active CPAs shall file with the Board a completed CPE reporting form by the July 1
5 renewal date of each year.

6 (b) If a CPA fails to complete the CPE requirements prior to the end of the previous calendar
7 year but the CPA has completed them by June 30, the Board may:

8 (1) ~~change the CPA's status from active to conditional and require the payment of a civil~~
9 ~~penalty of one hundred dollars (\$100.00) for the first such failure within a five~~
10 ~~calendar year period; issue a letter of warning for the first such failure within a five~~
11 ~~calendar year period; and~~

12 ~~(2) place the CPA on conditional status again and require the payment of a civil penalty~~
13 ~~of two hundred fifty dollars (\$250.00) for the second such failure within a five~~
14 ~~calendar year period; and~~

15 ~~(3)~~(2) deny the renewal of the CPA's certificate for a period of not less than 30 days and
16 until the CPA meets the reinstatement requirements set forth in 21 NCAC 08J .0106
17 for the ~~third~~ second such failure within a five calendar year period.

18
19 *History Note: Authority G.S. 93-12(8b); 93-12(9)(e);*

20 *Eff. May 1, 1981;*

21 *Amended Eff. January 1, 2007; January 1, 2004; April 1, 1994; March 1, 1990;*

22 *May 1, 1989; October 1, 1988.*

21 NCAC 08G .0409, is amended as published in 21:01, page 54, as follows:

.0409 COMPUTATION OF CPE CREDITS

(a) Group Courses: Non-College. CPE credit for a group course that is not part of a college curriculum shall be given based on contact hours. A contact hour shall be 50 minutes of instruction. One-half credits shall be equal to 25 minutes after the first credit hour has been earned in a formal learning activity. For example, a group course lasting 100 minutes shall be two contact hours and thus two CPE credits. A group course lasting 75 minutes shall be only one and one-half contact hours and thus one and one-half CPE credits. When individual segments of a group course shall be less than 50 minutes, the sum of the individual segments shall be added to determine the number of contact hours. For example, five 30-minute presentations shall be 150 minutes, which shall be three contact hours and three CPE credits. No credit shall be allowed for a segment unless the participant completes the entire segment.

(b) Completing a College Course. CPE credit for completing a college course in the college curriculum shall be granted based on the number of credit hours the college gives the CPA for completing the course. One semester hour of college credit shall be 15 CPE credits; one quarter hour of college credit shall be 10 CPE credits; and one continuing education unit (CEU) shall be 10 CPE credits. However, under no circumstances shall CPE credit be given to a CPA who audits a college course.

(c) Self Study. CPE credit for a self-study course shall be given based on the average number of contact hours needed to complete the course. The average completion time shall be allowed for CPE credit. A sponsor must determine, on the basis of pre-tests, the average number of contact hours it takes to complete a course. CPE credit for self-study courses shall be limited so that a CPA completes at least eight hours of non-self study each year.

(d) Instructing a CPE Course. CPE credit for teaching or presenting a CPE course for CPAs shall be given based on the number of contact hours spent in preparing and presenting the course. No more than 50 percent of the CPE credits required for a year shall be credits for preparing for and presenting CPE courses. CPE credit for preparing for and presenting a course shall be allowed only once a year for a course presented more than once in the same year by the same CPA.

(e) Authoring a Publication. CPE credit for published articles and books shall be given based on the number of contact hours the CPA spent writing the article or book. No more than 25 percent of a CPA's required CPE credits for a year shall be credits for published articles or books. An article written for a CPA's client or business newsletter is not applicable for this CPE credit.

(f) Instructing a College Course. CPE credit for instructing a graduate level college course shall

1 be given based on the number of credit hours the college gives a student for successfully
2 completing the course, using the calculation set forth in Paragraph (b) of this Rule. Credit shall
3 not be given for instructing an undergraduate level course. In addition, no more than 50 percent
4 of the CPE credits required for a year shall be credits for instructing a college course and, if CPE
5 credit shall also be claimed under Paragraph (d) of this Rule, no more than 50 percent of the CPE
6 credits required for a year shall be credits claimed under Paragraph (d) and this Paragraph. CPE
7 credit for instructing a college course shall be allowed only once for a course presented more than
8 once in the same year by the same CPA.

9
10 *History Note: Authority G.S. 93-12(8b);*

11 *Eff. May 1, 1989;*

12 *Amended Eff. January 1, 2007; January 1, 2004; February 1, 1996; April 1, 1994;*

13 *March 1, 1990.*

1 21 NCAC 08G .0410, is amended as published in 21:01, page 55, as follows:

2
3 **.0410 PROFESSIONAL ETHICS AND CONDUCT CPE**

4 (a) As part of the annual CPE requirement, all active CPAs shall complete CPE on professional
5 ethics and conduct as set out in 21 NCAC 08N. They shall complete either two hours in a group
6 study format or four hours in a self-study format. These courses shall be approved by the Board
7 pursuant to 21 NCAC 08G .0400. This CPE shall be offered by a CPE sponsor registered with the
8 Board pursuant to 21 NCAC 08G .0403(a) or (b).

9 (b) A non-resident licensee ~~who maintains an office~~ whose primary office is in North Carolina
10 must comply with Paragraph (a) of this Rule. All other non-resident licensees may satisfy
11 Paragraph (a) of this Rule by completing the ethics requirements in the jurisdiction in which he or
12 she ~~resides~~, is licensed as a CPA and works or resides. If there is no ethics CPE requirement in
13 the jurisdiction where he or she ~~currently resides~~, is licensed and currently works or resides, he
14 or she must comply with Paragraph (a) of this Rule.

15
16 *History Note: Authority G.S. 93-12(8b);*

17 *Eff. January 1, 2005;*

18 *Amended Eff. January 1, 2007; January 1, 2006.*

21 NCAC 08G .0403, is amended as published in 21:01, pages 51-52, with changes, as follows:

.0403 QUALIFICATION OF CPE SPONSORS

(a) The Board registers sponsors of CPE courses and not courses. The Board will maintain a list of sponsors which have agreed to conduct programs in accordance with the standards for CPE set forth in 21 NCAC 08G .0404. Such sponsors shall indicate their agreement by signing a CPE program sponsor agreement form provided by the Board. These sponsors are registered sponsors.

(b) Notwithstanding Paragraph (a) of this Rule, sponsors of continuing education programs which are listed in good standing on the National Registry of CPE Sponsors maintained by ~~the~~ NASBA are considered to be registered CPE sponsors with the Board. These ~~sponsors, sponsors~~ are not required to sign a CPE program sponsor agreement form with this Board.

(c) In the CPE program sponsor agreement with the Board, the registered sponsor shall agree to:

- (1) allow the Board to audit courses offered by the sponsor in order to determine if the sponsor is complying with the terms of the agreement and shall refund the registration fee to the auditor if requested by the auditor;
- (2) have an individual who did not prepare the course review each course to be sure it meets the standards in this Rule;
- (3) state the following in every brochure or other publication or announcement concerning a course:
 - (A) the general content of the course and the specific knowledge or skill taught in the course;
 - (B) any prerequisites for the course and any advance preparation required for the course and if none, that should be stated;
 - (C) the level of the course, such as basic, intermediate, or advanced;
 - (D) the teaching methods to be used in the course;
 - (E) the amount of sponsor recommended CPE credit a CPA who takes the course could claim; and
 - (F) the date the course is offered, if the course is offered only on a certain date, and, if applicable, the location;
- (4) ensure that the instructors or presenters of the course are qualified to teach the subject matter of the course and to apply the instructional techniques used in the course;
- (5) evaluate the performance of an instructor or presenter of a course to determine

- 1 whether the instructor or presenter is suited to serve as an instructor or presenter in
2 the future;
- 3 (6) encourage participation in a course only by those who have the appropriate
4 education and experience;
- 5 (7) distribute course materials to participants in a timely manner;
- 6 (8) use physical facilities for conducting the course that are consistent with the
7 instructional techniques used;
- 8 (9) assign accurately the number of CPE credits each participant may be eligible to
9 receive by either:
- 10 (A) monitoring attendance at a group course; or
- 11 (B) testing in order to determine if the participant has learned the material
12 presented;
- 13 (10) provide, before the course's conclusion, an opportunity for the attendees to evaluate
14 the quality of the course by questionnaires, oral feedback, or other means, in order to
15 determine whether the course's objectives have been met, its prerequisites were
16 necessary or desirable, the facilities used were satisfactory, and the course content
17 was appropriate for the level of the course;
- 18 (11) inform instructors and presenters of the results of the evaluation of their
19 performance;
- 20 (12) systematically review the evaluation process to ensure its effectiveness;
- 21 (13) retain for five years from the date of the course presentation or completion:
- 22 (A) a record of participants completing course credit requirements;
- 23 (B) an outline of the course (or equivalent);
- 24 (C) the date and location of presentation;
- 25 (D) the participant evaluations or summaries of evaluations;
- 26 (E) the documentation of the instructor's qualifications; and
- 27 (F) the number of contact hours recommended for each participant;
- 28 (14) have a visible, continuous and identifiable contact person who is charged with the
29 administration of the sponsor's CPE programs and has the responsibility and is
30 accountable for assuring and demonstrating compliance with these rules by the
31 sponsor or by any other organization working with the sponsor for the development,
32 distribution or presentation of CPE courses;
- 33 (15) develop and promulgate policies and procedures for the management of grievances
34 including, but not limited to, tuition and fee refunds;
- 35 (16) possess a budget and resources that are adequate for the activities undertaken and

1 their continued improvement; and
2 (17) provide persons completing course requirements with written proof of completion
3 indicating the participant's name, the name of the course, the date the course was
4 held or completed, the sponsor's name and address, and the number of CPE hours
5 calculated and recommended in accordance with 21 NCAC 08G .0409.

6 (d) Failure of a registered sponsor to comply with the terms of the CPE program sponsor
7 agreement shall be grounds for the Board to terminate the agreement, to remove the registered
8 sponsor's name from the list of registered sponsors and to notify the public of this action.

9 (e) Failure of a National Registry of CPE Sponsor to comply with the terms of this rule shall be
10 grounds for the Board to disqualify the sponsor to be registered as a CPE sponsor with this Board
11 and to notify NASBA and the public of this action.

12
13 *History Note: Authority G.S. 93-12(8b);*

14 *Eff. May 1, 1981;*

15 *Amended Eff. January 1, 2007; January 1, 2004; March 1, 1990; May 1, 1989; August 1,*
16 *1988; February 1, 1983.*

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200507-042

IN THE MATTER OF:

Vincent T. Harris, #17235

Vincent T. Harris, C.P.A. & Associates, P.A.
Respondents

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 17235 as a Certified Public Accountant.
2. Respondent Vincent T. Harris, C.P.A. & Associates, P.A. (hereinafter "Respondent firm") is a registered certified public accounting corporation in North Carolina.
3. Respondent through Respondent firm was engaged by a client to prepare tax returns for the client's limited liability company and personal joint tax returns for the client for tax years 1999, 2000, 2001, 2002, and 2003. Respondent completed the client's limited liability company and personal joint tax returns tax returns for 1999 and 2000 and delivered those returns to the client on January 31, 2005.
4. Respondent stated in a February 1, 2005, letter to the Internal Revenue Service (IRS) that he would process the client's limited liability company and personal joint tax returns for 2001, 2002, and 2003 within several days of resolution of a computer issue.
5. Respondent and Respondent firm never completed the 2001, 2002, and 2003 tax returns for the client's limited liability company and personal joint tax filings. The client picked up the client's records from Respondent in July 2005.

BOARD
Reviewed
OCT - 2 2005

Consent Order - 2
Vincent T. Harris

6. Respondent and Respondent firm wish to resolve this matter by consent and agree that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondents are subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondents' actions as set out above constitute violations of NCGS 93-12 (9)e and 21 NCAC 8N .0212.

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondents agree to the following Order:

1. Respondents are censured.

CONSENTED TO THIS THE 26th DAY OF SEPTEMBER, 2006.

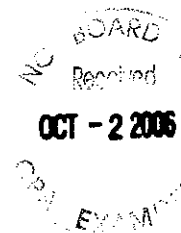
Vincent T. Harris, CPA / Vincent T. Harris CPA & Associates P.A.
Respondent

APPROVED BY THE BOARD THIS THE 23rd DAY OF October, 2006.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY: [Signature]
President



NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200512-068

IN THE MATTER OF:
Jacob O. Balogun, #20601
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 20601 as a Certified Public Accountant.
2. On his business card, résumé, CPA firm letterhead, and other firm materials, Respondent represented himself as having certain academic credentials, professional certifications, and professional association memberships that Respondent knew or should have known were not "active and in good standing," or that could not be substantiated.
3. Included in these were Respondent's claims of having certifications as a duly licensed CPA in New York and Virginia; certification as a certified bank auditor, certified administrative manager, and certified fraud examiner; and membership in the American Institute of CPAs, the Virginia Society of CPAs, and the North Carolina Association of CPAs.
4. Respondent's use of these non-existent, out-of-date or unsubstantiated credentials is deceptive and has the capacity or tendency to mislead the public.
5. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of NCGS 93-12 (9)d and (9)e and 21 NCAC 8N .0201, .0202 (a), .0202 (b)(2), .0202 (b)(6), .0203 (b)(1), and .0306 (a).

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent's license shall be suspended for six (6) months from the date this Order is approved by the Board.
2. Respondent is censured.
3. Respondent shall pay a two thousand dollar (\$2,000.00) civil penalty to be remitted within six (6) months of the date this Order is approved by the Board.
4. To fulfill the ethics course requirement for reissuance of his CPA certificate, Respondent must complete NCACPA's eight (8) hour group-study course entitled "NC Accountancy Law—Ethics, Principles, and Professional Responsibilities."
5. If Respondent returns his suspended certificate within fifteen (15) days of the receipt of this Order, Respondent can, after six (6) months, apply to return his certificate to active status by submission and approval of a reinstatement application which includes:
 - a. Application form,
 - b. Payment of the application fee,
 - c. 3 moral character affidavits (on forms provided by Board), and
 - d. 40 hours of CPE in the 12 months preceding the application including the eight (8) hour accountancy law course as noted in requirement #4 of this Order.
6. If Respondent returns his suspended certificate in excess of fifteen (15) days of the receipt of this Order, Respondent can, after six (6) months plus the number of days that his certificate is late in being returned, apply to return his certificate to active status by submission and approval of a reinstatement application which includes:
 - a. Application form,

Consent Order - 3
Jacob O. Balogun

- b. Payment of the application fee,
- c. 3 moral character affidavits (on forms provided by Board),
- d. 40 hours of CPE in the 12 months preceding the application including the eight (8) hour accountancy law course as noted in requirement #4 of this Order, and
- e. A Consent Order requiring payment of at least \$100.00 in administrative costs.

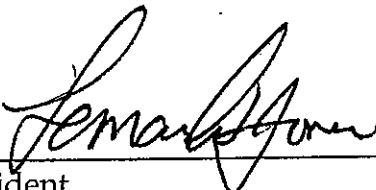
CONSENTED TO THIS THE 6th DAY OF October, 2006.


Respondent

APPROVED BY THE BOARD THIS THE 23rd DAY OF October, 2006.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY: 
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200606-046

IN THE MATTER OF:
Debora B. Wentz, Certificate #15325
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCCGS 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 15325 as a Certified Public Accountant.
2. In February of 1992, Respondent registered with the Board as an individual practitioner. Respondent's firm's first peer review should have been completed on or before December 31, 1993.
3. Based on Respondent's failure to timely renew her firm's 1993 registration and failure to obtain a peer review by December 31, 1993, the Board ordered, on November 21, 1994, that the CPA certificate for Respondent be placed on conditional status for one (1) year and that Respondent be assessed a one hundred dollar (\$100.00) civil penalty for failure to file the required firm registration and peer review information by January 31, 1994. The Board also ordered that Respondent's firm's peer review must be completed and all information concerning the peer review to be received by the Board on or before January 31, 1995. The exit conference for Respondent's firm's peer review was completed on December 29, 1994, and all peer review information was received by the Board on January 4, 1995.
4. Respondent was notified by Board staff that her firm's next peer review should be completed by December 29, 1997. However, the exit conference for Respondent's firm's next peer review was not completed until January 23, 1998. In March of 1998, Respondent was informed that her certificate had

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EXAMINER

again been placed on conditional status for one (1) year for failure to obtain her firm's peer review by the prescribed deadline.

5. Respondent was notified by Board staff that her firm's following peer review should be completed by December 29, 2000. Again, the exit conference for Respondent's firm's next peer review was not completed until January 10, 2001. In April of 2001, the Board ordered that Respondent's certificate again be placed on conditional status for one (1) year and that she be required to complete an eight (8) hour accountancy law course for her continued failure to obtain her firm's peer review by the prescribed deadline.
6. Respondent was notified by Board staff that her firm's following peer review should be completed by April 30, 2004. In January of 2005, Respondent noted on her firm's 2005 renewal that her firm's peer review which should have been completed by April 30, 2004, was "not yet complete - reinstatement pending."
7. In January of 2005, Respondent was dropped from the American Institute of CPA's (AICPA) peer review program for failure to comply with programs requirements.
8. Upon Respondent's request, the AICPA peer review program subsequently extended Respondent's firm's peer review deadline to October 31, 2005. Respondent, through her attorney, also requested that the Board extend her peer review deadline to October 31, 2005.
9. In an undated letter, Respondent requested that the AICPA's "Peer Review Executive Committee" give her another extension of her firm's peer review deadline to December 16, 2005.
10. In another undated letter which was sent to the AICPA's "Peer Review Executive Committee," Respondent informed that committee that the peer reviewer failed to show up and that she was trying to reschedule to peer review to be completed by December 28, 2005.
11. In January of 2006, Respondent noted on her firm's 2006 firm renewal that her firm's peer review, which according to Board records should have been completed by October 31, 2005, was "this review - exit conference was 12-16-05 - next review 10/31/06."

SEP 27 2006

EXAMINER

12. In June of 2006, Respondent through her attorney informed the Board that Respondent's peer review exit conference was completed on December 28, 2005.
13. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of NCGS 93-12 (9)e and 21 NCAC 8M .0105 (d) and (e), and 8N .0203 (b)(1).

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent's certificate is suspended for two (2) years; however, said suspension is stayed and Respondent's certificate is placed on probationary status for two (2) years subject to the timely fulfillment of each of the requirements set forth below.
2. Respondent is censured.
3. Respondent shall pay a one thousand dollar (\$1,000.00) civil penalty to be remitted with this signed Order.
4. Respondent shall complete, prior to December 31, 2006, the North Carolina Association of Certified Public Accountants' eight (8) hour group study entitled "NC Accountancy Law - Ethics, Principles and Professional Responsibilities."
5. Respondent shall be required to complete the requirements as set forth by the North Carolina Peer Review Committee to be completed by December 31, 2006.

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Consent Order - 4
Debora B. Wentz

2006, and her firm's next two (2) peer reviews by the deadline approved by the Board. If however, Respondent fails to complete the requirements of the North Carolina Peer Review Committee by December 31, 2006, and the two (2) successive peer reviews by the deadlines prescribed by the Board, the Board will reinstate the two (2) year active suspension of her certificate.

CONSENTED TO THIS THE 23rd DAY OF September, 2006.

Debora B. Wentz
Respondent

APPROVED BY THE BOARD THIS THE 23rd DAY OF October, 2006.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY: [Signature]
President

NC BOARD
SEP 27 2006
EXAMINERS

THE NORTH CAROLINA STATE BOARD OF CERTIFIED PUBLIC
ACCOUNTANT EXAMINERS

IN THE MATTER OF:
Robert A. DiNubila
Respondent

NOTICE OF APPARENT VIOLATION
AND DEMAND TO CEASE AND DESIST

TO THE ABOVE NAMED RESPONDENT:

WHEREAS, the North Carolina State Board of Certified Public Accountant Examiners is authorized by N.C.G.S. §93-12 (16) to enforce the provisions of the North Carolina Certified Public Accountant Act (Act) through actions for injunctive relief regarding "a single violation" of this Chapter; and,

WHEREAS, pursuant to N.C.G.S. §93-6 "It shall be unlawful for any person to engage in the public practice of accountancy in this State who is not a holder of a certificate as a certified public accountant issued by the Board, unless such person uses the term 'accountant' and only the term 'accountant' in connection with his name on all reports, letters of transmittal, or advice, and on all stationery and documents used in connection with his services as an accountant, and refrains from the use in any manner of any other title or designation in such practice;" and,

WHEREAS, Respondent Robert A. DiNubila (hereinafter "Respondent DiNubila") is not currently licensed by the Board as a certified public accountant; and,

WHEREAS, Respondent DiNubila allowed his name to appear on a resume, employment application, press release, and journal subscription which identify him as a "CPA" or "Certified Public Accountant," thereby conveying the impression that he is authorized to engage in the public practice of accountancy, using a title other than 'accountant' when, in fact, he is not lawfully authorized to use the title "certified public accountant" or "CPA" in this State. Such a representation is misleading and contrary to N.C.G.S. §93-6.

THEREFORE, Respondent DiNubila is hereby notified and the North Carolina State Board of Certified Public Accountant Examiners demands that he immediately cease and desist from use of the title "certified public accountant" or "CPA" and identify himself only as "accountant."

North Carolina State Board of Certified Public Accountant Examiners

BY: 
Robert N. Brooks, Executive Director

DATE: 

In lieu of civil proceedings authorized by N.C.G.S. §93-12(16), the Board will accept Respondent's consent to this Demand.

Consented to:

BY: Robert A. DeNubila

Robert A. DeNubila

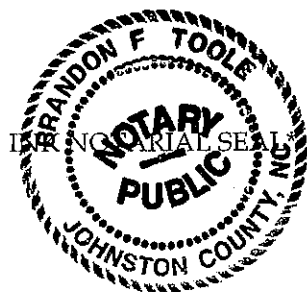
DATE: 10.3-06

NORTH CAROLINA State

JOHNSTON County

Sworn to (or affirmed) and subscribed before me this day by Brandon F. Toole.

[I have personal knowledge of the identity of the principal(s)] [I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a North Carolina Driver's License] [a credible witness has sworn to the identity of the principal(s)]



Brandon F. Toole
Notary Public Signature

Brandon F. Toole
Notary Public Printed Name

10-3-06
Date

2-28-2007

My Commission Expires

*ATTENTION NOTARY: NCGS 10B-24(a) states, "Near the notary's official signature on the notarial certificate of a paper record, the notary shall place a sharp, legible, permanent, and photographically reproducible image of the official seal."

NORTH CAROLINA
WAKE COUNTY

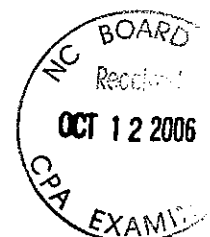
BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200601-002

IN THE MATTER OF:
Mack William Phipps, #3318
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41, the Board and Respondent stipulate the following Findings:

1. Respondent is the holder of North Carolina certificate number 3318 as a Certified Public Accountant.
2. A not-for-profit trade association (Association), by and through its Executive Director (Executive Director) retained Respondent to prepare and file the 990 tax return for the association's fiscal year March 1, 2003 through February 28, 2004.
3. In May of 2004, the Executive Director of the Association delivered to Respondent the information necessary to prepare the 990 tax return.
4. Respondent failed to file the 990 tax return by July 15, 2004. Respondent told the Executive Director that Respondent had filed an extension and had, in his possession, certified copies of the delivery notices that an extension had been filed. However, Respondent has failed to provide the Executive Director with copies of said delivery notices.
5. In November of 2004, the Executive Director called the Internal Revenue Service (IRS) and learned that the IRS had never received the extension that Respondent said he had filed.
6. Respondent completed the Association's 2003-2004 990 tax return and it was signed by the Executive Director on August 31, 2005.
7. The Association received an assessment from the IRS for eight thousand five hundred twenty dollars (\$8,520.000) for failing to timely file the 990 tax return. The assessment was later abated by the IRS.



Consent Order - 2
Mack William Phipps

8. Respondent has failed to produce copies of the extension requests which Respondent claimed were filed, as well as certified copies of the above reference-delivery notices.
9. Despite Respondent's assertions that he was delayed in completing the 990 tax returns due to insufficient information, Respondent completed these tax returns without receiving any such additional information from the Association.
10. Respondent wishes to resolve this matter by consent and agrees that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. Respondent's actions as set out above constitute violations of NC Gen. Stat. § 93-12(9)(e) and 21 NCAC 8N .0212 and 8N .0211.

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent is censured.

CONSENTED TO THIS THE 10 DAY OF October, 2006.

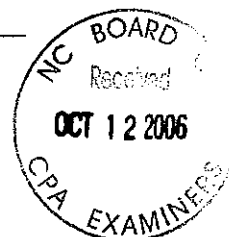
Mack William Phipps
Respondent

APPROVED BY THE BOARD THIS THE 23rd DAY OF October, 2006.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY: Shirley A. Jones
President



NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200508-044

IN THE MATTER OF:
Stephon Newkirk, #26132
Stephon Newkirk, CPA, PA
Respondents

BOARD ORDER

THIS CAUSE coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, at public hearing, with a quorum present, the Board finds, based on the evidence presented at the hearing on October 23, 2006, that:

FINDINGS OF FACT

1. The parties have been properly identified.
2. The Board has jurisdiction over the Respondents and this matter.
3. Respondents received at least fifteen (15) days written Notice of Hearing of this Matter by personal service, certified mail, or other approved personal delivery.
4. Venue is proper and the Noticed Hearing was properly held at 1101 Oberlin Road, Raleigh, North Carolina.
5. Respondents made no objection to any Board Member's participation in the Hearing of this Matter.
6. Respondents were present at the Hearing and were not represented by counsel.
7. Respondent Stephon Newkirk (Respondent) is the holder of a certificate as a Certified Public Accountant in North Carolina and is subject to the provisions of Chapter 93 of the General Statutes of North Carolina and Title 21, Chapter 8 of the North Carolina Administrative Code, including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.

8. Respondent Stephon Newkirk, CPA, PA. (hereinafter "Respondent firm") is a registered certified public accounting professional corporation in North Carolina.

Count 1

9. Respondent failed to timely pay his individual federal tax returns for 1998 and 2001. Respondent failed to timely file and pay his individual federal tax returns for 1999 and 2000. Tax, penalty, and interest owed on these returns totaled \$35,895.56.
10. Respondent failed, on behalf of Respondent firm, to timely file employer's quarterly federal tax returns for 1999-03, 1999-06, 1999-09, 1999-12, 2000-03, 2000-09, 2000-12, 2001-03, 2001-09, 2001-12, 2002-03, 2002-06, 2002-09, 2002-12, 2003-03, 2003-06, and 2003-09. Taxes owed on these returns totaled \$10,442.06.
11. On January 25, 2005, the Internal Revenue Service (IRS) and Respondent agreed to an order in which Respondent consented to his indefinite suspension from practice before IRS.

Count 2

12. In completing his 2003-2004 individual certificate renewal, Respondent claimed that he completed forty-five (45) CPE hours in 2002 when, in fact, he had only completed forty-three (43) CPE hours. Thus, with carryforward hours from 2001 CPE, Respondent should have only claimed fifteen (15) CPE hours of carryforward rather than the seventeen (17) hours that he claimed.
13. In completing his 2004-2005 individual certificate renewal, Respondent claimed twenty-three (23) hours of CPE earned in 2003 and seventeen (17) hours of carryforward from 2002 CPE. Respondent's correct carryforward from 2002 CPE should have been fifteen (15) CPE hours rather than seventeen (17) CPE hours thus reducing his 2003 CPE hours to thirty-eight (38) CPE hours. Respondent took no CPE between January 1, 2004, and July 1, 2004, so Respondent did not have the forty (40) CPE hours required to renew his individual certificate on conditional status for the 2004-2005 license year.
14. In completing his 2005-2006 individual certificate renewal, Respondent claimed forty (40) CPE hours in 2004 when, in fact, he had only

completed thirty-three (33) CPE hours. Since Respondent had no carryforward hours from 2003, Respondent had insufficient CPE hours to renew his individual CPA certificate.

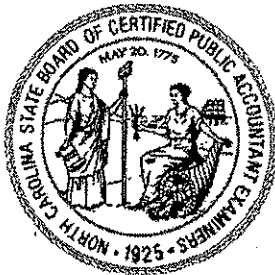
CONCLUSIONS OF LAW

1. Respondents' actions as set out in Counts 1 and 2 above constitute violations of NCGS 93-12 (8b)a and 93-12 (9)e, and 21 NCAC 8N .0201, .0202 (a), .0202 (b)(3), .0202 (b)(4), .0203 (b)(1), .0204 (a), and .0207.

BASED ON THE FOREGOING, the Board orders in a vote of 7 to 0 that:

1. The Certified Public Accountant certificate issued to Respondent, Stephon Newkirk, is hereby permanently revoked.
2. The firm registration for Respondent firm, Stephon Newkirk, CPA, PA, is hereby revoked.

This the 23rd day of October 2006.



NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BY: [Signature]
President